

Schools First, Not Prisons

Fix the Structural Deficit:

Bloated Prison Budget Starves Higher Ed For Years

Wayne State University Severely Underfunded

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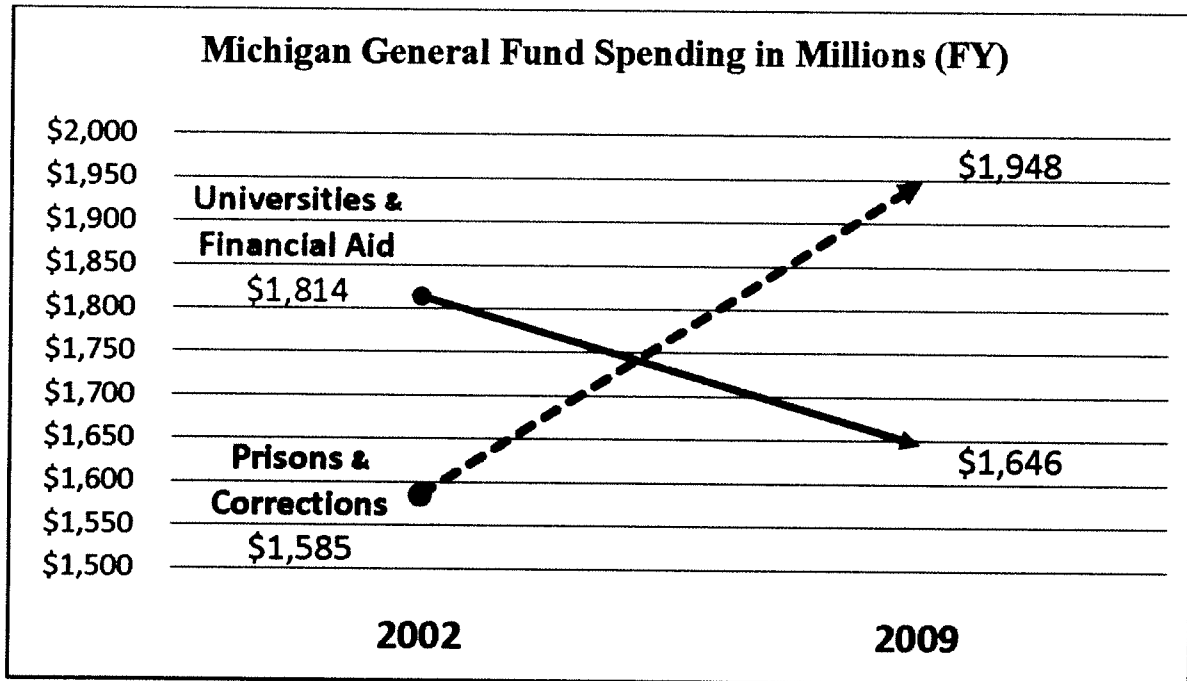
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Six Charts Tell the Story:

- 1) State Spending: Prisons vs. Universities
 - 2) Michigan's High Rate of Incarceration
 - 3) Michigan's Low Rate of Funding for Higher Education
 - 4) Wayne State University's Declining State Appropriation
 - 5) Comparative Tuition in Michigan's Public Universities
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- A) Map: Where Wayne State's 230,000 Alumni Live
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1) State Spending: Prisons vs. Universities

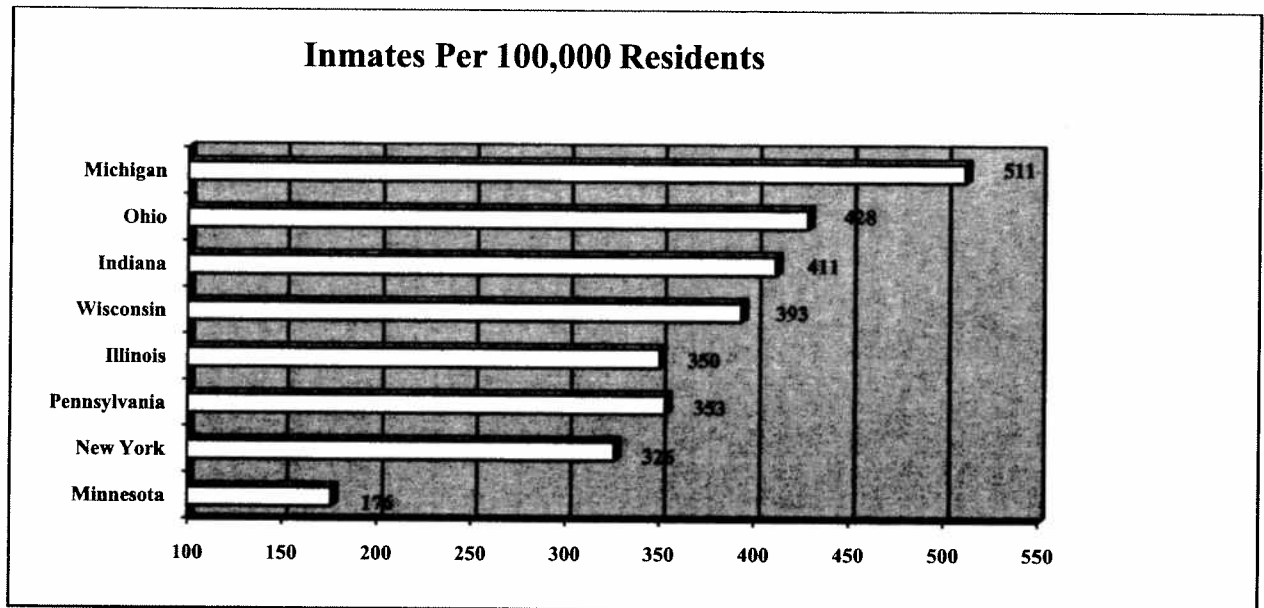


Source: Office of State Budget, "Historical Expenditures," *Fiscal Year 2010 Executive Budget*, C-31.

The Michigan state budget has been devastated by more than the current economic crisis. As we confront growing unemployment and falling tax revenues, we have to rethink Michigan's budget priorities and the diminished resources we are wasting on our bloated prison system.

- Funding for Michigan's universities fell **\$168 million** after 2001 while funding for the Department of Corrections grew **\$363 million**.
- Michigan's inmate population has grown **six-fold** since 1973, from 8,000 to nearly **50,000** prisoners.
- The Department of Corrections workforce has **tripled** since 1980, from 5,400 to 16,500, at the same time that the overall number of state jobs fell from 65,000 to 36,000.
- It costs **\$32,000** a year in taxpayer money to maintain each prisoner. State support for higher education has fallen from \$6,853 per student in 2001 to **\$5,673**.

2) Michigan's High Rate of Incarceration

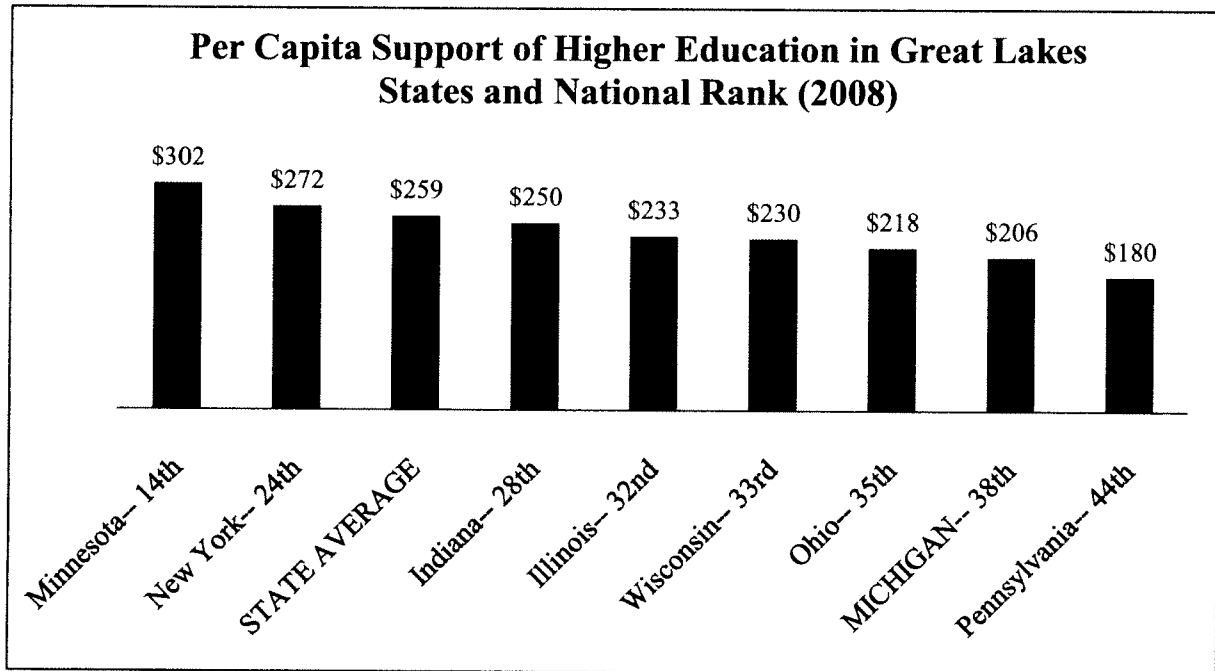


Source: Citizens Research Council of Michigan, *Michigan's Fiscal Future*, Report 349, May 2008, p.98

There is an obvious need for prisons to house convicted criminals and protect citizens from unacceptable risk. But no other state in the mid-west squanders anything like the resources we waste on our prisons.

- The **crime rate is not** the cause. From 1976 to 2006, Michigan's overall crime rate **fell** while the rate of violent crime held **steady**. Yet the prison population more than **quadrupled** in these same years.
- **Bad policy** keeps non-violent and good-behavior prisoners **in jail too long compared to other states**. In 1992, the state parole board was changed to replace civil servants with political appointees. Denying parole to people who have served their minimum sentence is not an effective deterrent to crime, but it does pay **political dividends** for publicity-conscious appointees who want to appear "tough on crime."
- The average prison stay for a Michigan inmate is **1.2 years longer** than the national average. According to the Citizens Research Council of Michigan, if we had held prisoners no longer than the national average since 1990, the prison population would have declined by 14,000 at a current **savings of more than \$400 million** a year.

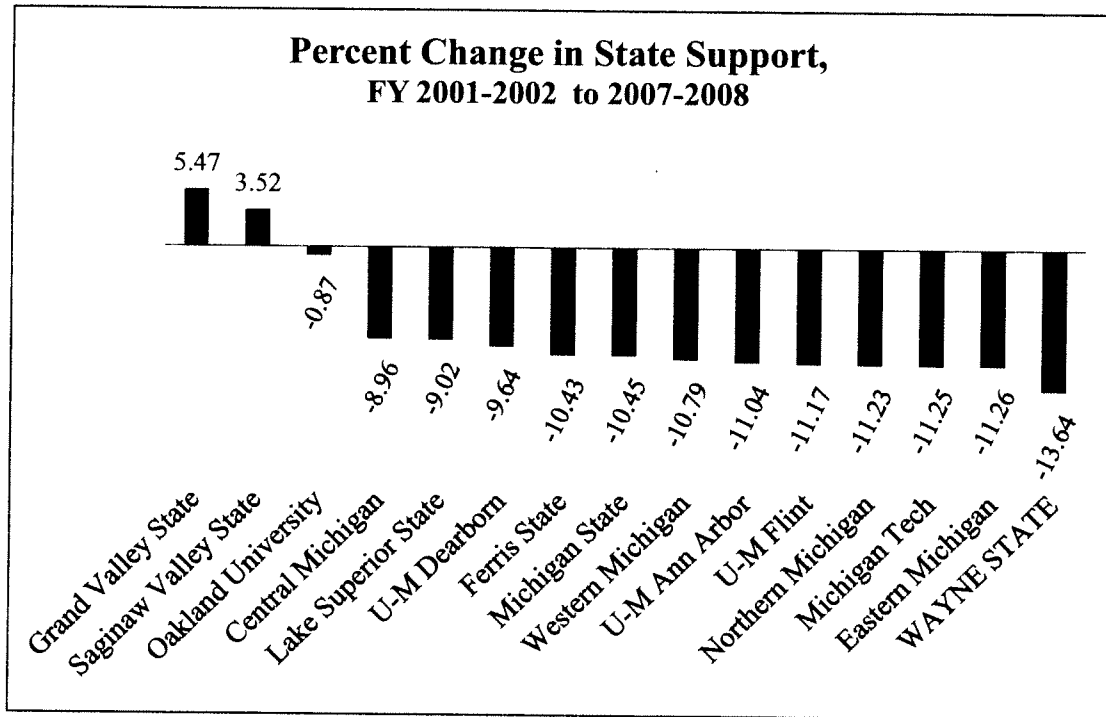
3) Michigan's Low Rate of Funding for Higher Education



Source: Center for the Study of Educational Policy, "Table 3: Appropriations of State Tax Funds for Operating Expenses of Higher Education...per Capita, FY09, by State," Illinois State University (www.grapevine.ilstu.edu)

- Michigan is now **below the national average** for the number of residents who have higher education degrees.
- Michigan ranks **38th** in per capita support of higher education, and ranks **33rd** in appropriations per \$1,000 in personal income.
- Michigan was **dead last** among all states ranked by the increase (or decrease) in state appropriations to higher education over the last five years.
- State funding in Michigan has fallen from **48%** of university operating budgets in 2000 to only **33%** in 2007. **Tuition** at all 15 state universities rose by **9% a year** since 2001 to cover the decline in state funding.

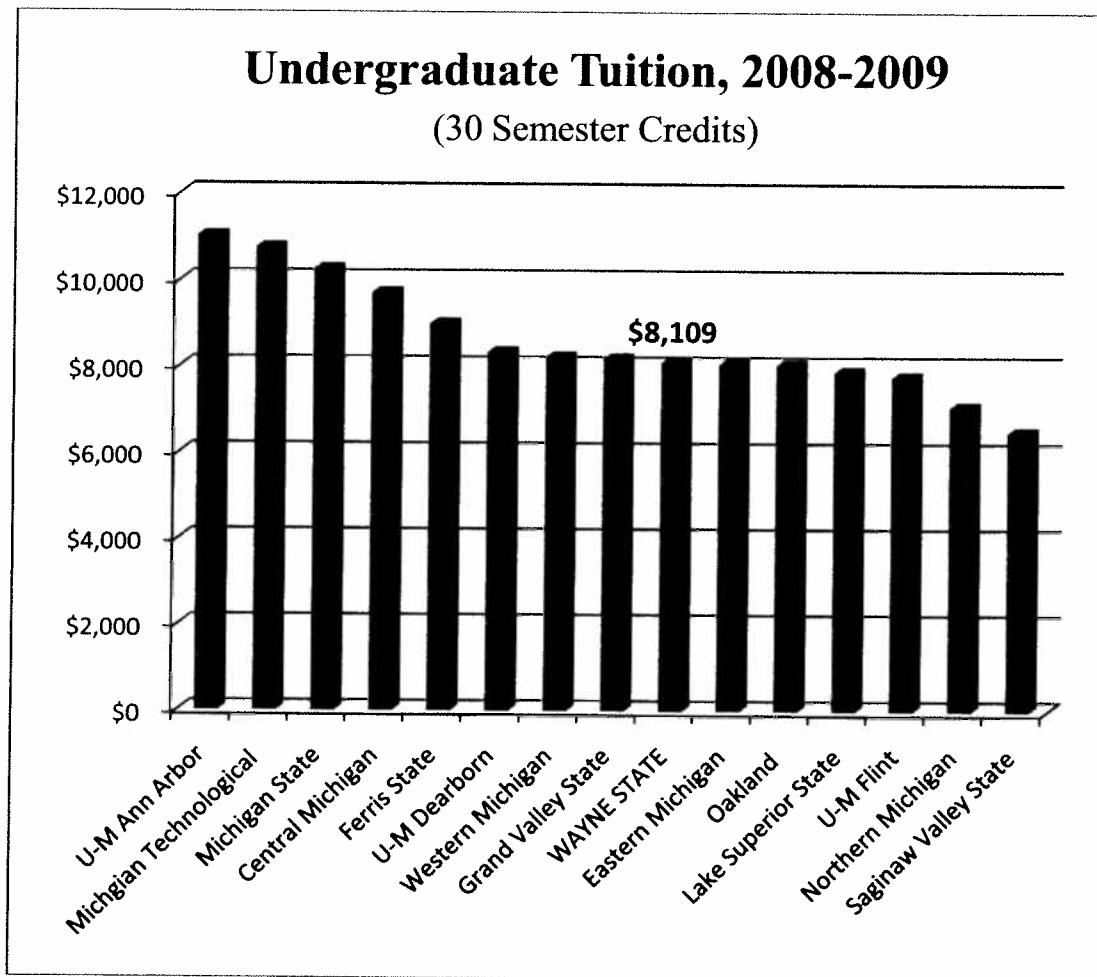
4) Wayne State University's Declining State Appropriation



Source: Center for the Study of Educational Policy, "State Higher Education Tax Appropriations for Fiscal Years," 2001-2002 and 2007-2008, Illinois State University (www.grapevine.ilstu.edu)

- State support for Wayne State **fell by \$34 million** between the fiscal years 2002 and 2008. The decline from \$253 million to \$219 million amounted to a drop of **nearly 14%**. No other university in Michigan suffered this sharp a cut in public support.
- With inflation, the decline in the purchasing power of state support for Wayne State equals **\$79 million**.

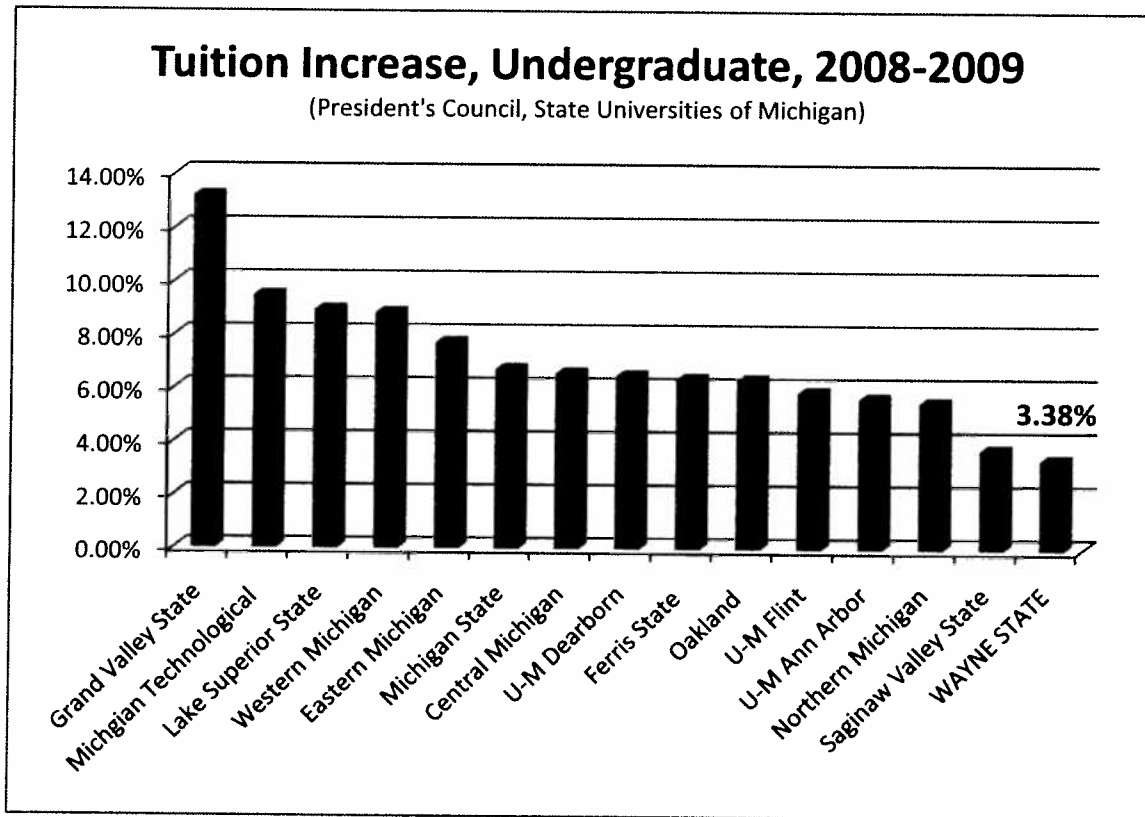
5) Comparative Tuition in Michigan's Public Universities



Source: Presidents Council, State Universities of Michigan, "Report on Tuition and Fees, 2008-2009," Table 1

- Wayne State is one of Michigan's three nationally recognized research universities, but its **tuition cost** is comparatively low.
- Tuition has gone up nevertheless as state support has gone down. In 1996, a WSU undergraduate taking 30 credits paid **\$3,550 in tuition**; by the fall of 2008, the same number of credits cost an average of **\$8,109**.
- Wayne State is a primary source of Michigan's **doctors, judges, nurses, teachers, engineers, pharmacists, psychologists, and social workers**. As tuition becomes more expensive and university budgets are squeezed, the state will lose in the long run as future leaders and high-tech investment goes elsewhere.

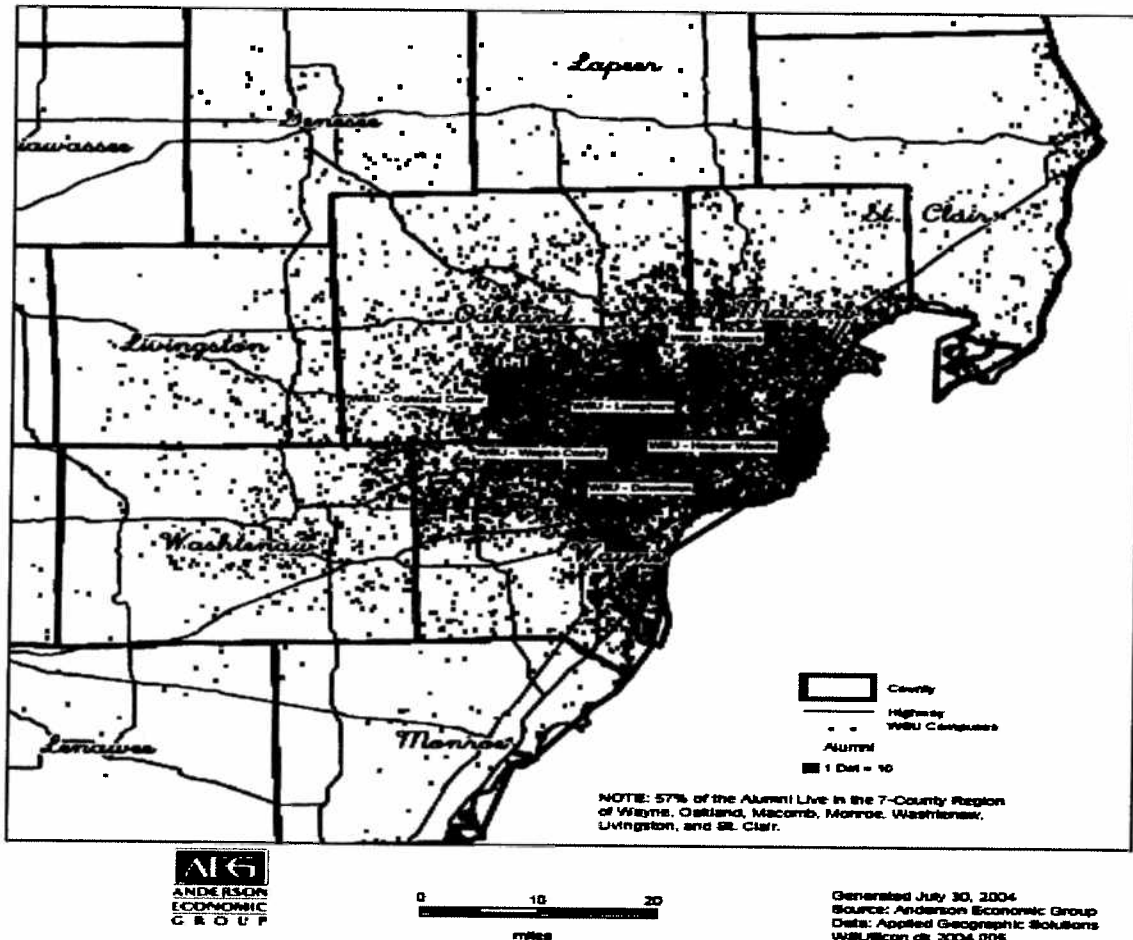
6) Comparative Tuition Increases



- With the deep cuts in state support, Wayne State has struggled to keep its tuition affordable. The **tuition increase for 2008-2009 was the lowest** of the 15 state universities.
- If tuition is to be frozen *after* other schools have already raised their rates at a faster pace, then Wayne State will be disadvantaged all the more: it is already the school with the **lowest** tuition increase and the **biggest** cut in state support.
- Wayne State helps drive the state economy. The University-sponsored **TechTown** currently hosts **35 enterprises** specializing in biotechnology, medical research, alternative energy, information technology, engineering, and logistics. Other centers of innovation and products include the **Hybrid Electric** Vehicle Technology Project, the **Smart Sensors** and Integrated Microsystems Laboratory, the **Alternative Energy** Technology Program, and the **Biofuels** Energy Laboratory.

A) Where Wayne State's 230,000 Alumni Live

Map 6: Alumni Map - 1 Dot Represents 10 Alumni



- More than 75% of WSU's **230,000 alumni** live and work in Michigan. The map above shows they are spread across the metropolitan region (each dot equals ten alumni).
- Wayne State is often treated as an inner-city school. The University is, indeed, central to Detroit. But our 30,000 students and 8,000 employees are also voters in every community in southeast Michigan.
- Wayne State's **School of Medicine** is the **largest single-campus medical school** in the nation, with 1,000 medical students, and provides more than **\$150 million** in uncompensated health care every year.

B) Alternatives for Michigan

- **Sentencing and parole guidelines** for Michigan need to be brought into alignment with those in surrounding states.
- We can **reward prisoners with a record of good behavior** by reducing their minimum sentence, as other states do.
- Once a prisoner has served the minimum sentence, we can safely release him or her to supervised **parole with family and community support** for their re-entry. With the same incarceration rate as surrounding states, the estimated **savings to the state budget range between \$400 and \$500 million.**
- As the Corrections budget is pared to the size of surrounding states, there should be matching efforts to reduce Corrections personnel through **attrition**, combined with efforts to **retrain** and **reassign** individuals to the necessary (and more cost-effective) tasks related to the expanded **Michigan Prisoner Re-entry Initiative.**
- Use the savings to support higher education. The payoff for Michigan is clear: **money spent on education here stays here and grows here** with the skilled professionals and advanced research that can drive our state's development. In contrast, tax breaks to corporations are just as likely to be invested in China or Mexico as in Michigan.
- Wayne State University should be a vital part of the state's future, a seedbed for Michigan's economic and social development.
WSU should not be pushed again to the back of the line.

Sources

Anderson Economic Group, *The Economic Benefits of Wayne State University*, 2004, and *Michigan's University Research Corridor*, 2008.

Center for the Study of Educational Policy, Illinois State University, www.grapevine.ilstu.edu

Citizens Alliance on Prisons and Public Spending, <http://www.capps-mi.org/>

Citizens Research Council of Michigan, <http://crcmich.org/>; *Michigan's Fiscal Future*, Report 349, May 2008, and *Growth in Michigan's Corrections Systems: Historical and Comparative Perspectives*, Report 350, June 2008.

Michigan Department of Corrections, *Statistical Reports*, 1998-2005.

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